

EXHIBIT 3  
DATE 8/4/11

## CHILDREN, FAMILIES, HEALTH, AND HUMAN SERVICES INTERIM COMMITTEE

### Summary of Medical Marijuana Review Process and Bill Drafts

The interim committee reviewed and approved three bill drafts related to medical marijuana at its Aug. 23-24 meeting. The bill drafts have been assigned the following LC numbers, which can be used for tracking the bills throughout the fall and the legislative session:

- **LC 284:** Revise Medical Marijuana Act and create regulatory structure for industry
- **LC 295:** Clarify that the Clean Indoor Air Act applies to medical marijuana
- **LC 296:** Clarify employer rights related to employee use of medical marijuana

LC 284 contains the bulk of the work done by the subcommittee and full committee over the course of the summer. The bill as currently drafted includes several key provisions.

- ***Creates a licensing and regulatory structure for medical marijuana businesses***
  - ✓ Puts responsibility for regulation with the Department of Revenue
    - ▶ The Department of Public Health and Human Services will continue to register patients who qualify to use medical marijuana. Parolees, probationers, and individuals under supervision of a youth court may not receive cards.
  - ✓ Creates a tiered licensure system for people growing and selling medical marijuana
    - ▶ *Provider:* an individual who grows or obtains medical marijuana for registered cardholders and is limited to working with five or fewer cardholders
    - ▶ *Medical Marijuana Dispensary:* may sell marijuana to more than five cardholders
    - ▶ *Medical Marijuana-Infused Products Manufacturer:* may make products containing marijuana, such as edible products or tinctures
    - ▶ *Medical Marijuana Grower:* may grow marijuana for a dispensary or infused products manufacturer; must also have license for one of those businesses
  - ✓ Establishes requirements for people applying for a license
    - ▶ Must submit fingerprints for a national criminal history background check
    - ▶ May not have a felony conviction of any kind
    - ▶ May not be on probation or parole or under supervision of a youth court
    - ▶ May not be licensed if they haven't paid taxes, child support, or student loans
    - ▶ Must disclose the names of all people affiliated with the business and the names of any person with a financial interest in the business

- ✓ Requires regular monitoring of license holders
  - Licensees must provide quarterly report on sales, revenues, and other items.
  - Department of Revenue may inspect premises and audit records.
- ***Gives local governments the authority to regulate***
  - ✓ May establish zoning regulations, business licensing requirements, and building codes and standards
  - ✓ May not ban medical marijuana within the local government boundaries
- ***Establishes new requirements for physicians***
  - ✓ Creates a definition for a standard of care and requires that physicians meet the standard when providing a written certification for use of medical marijuana
  - ✓ Requires that physicians have an office in the state and that the office isn't located where medical marijuana is grown, stored, or distributed
  - ✓ Prohibits physicians from having any financial ties to a medical marijuana business if they provide written certifications for medical marijuana
- ***Revises the existing Medical Marijuana Act to clear up gray areas***
  - ✓ Requires that applicants for medical marijuana registry cards and business licenses be Montana residents
    - Proof of residency required for applicants for medical marijuana cards
    - Two-year residency requirement for people applying for a license to grow or sell
  - ✓ Revises the debilitating medical conditions that qualify for medical marijuana use
    - Two physician certifications for chronic pain
    - A person with cancer, glaucoma, HIV, or AIDS may receive a card when the symptoms of the condition are seriously affecting the person's health status
  - ✓ Increases from 1 ounce to 2 ounces the amount of usable marijuana a person may possess, but caps the purchases at 2 ounces per month
    - Current law contains no limits on the frequency of purchases
  - ✓ Prohibits smoking medical marijuana in public
  - ✓ Repeals the so-called "affirmative defense" that a person could raise in court even if they weren't registered to use or grow medical marijuana or had more than the allowable amount